

Resolution No.:	<u>19-557</u>
Introduced:	<u>July 14, 2020</u>
Adopted:	<u>July 28, 2020</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Special Appropriation #21-480 to the FY21 Operating Budget
Montgomery County Government
COVID-19 Human Services and Community Assistance Non-Departmental
Account (NDA)
COVID-19 Response: Rental Assistance and Eviction and Homelessness
Prevention
\$20,000,000 (Source of Funds: Federal Grant Funds)

Background

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than six members of the Council.
2. Governor Hogan declared a state of emergency and issued several Executive Orders to slow the spread of the COVID-19 pandemic disease that include, but are not limited to the closing of schools, closing all non-essential businesses and limiting the number of people that can gather. These actions along with the health impacts of the pandemic have caused significant unemployment for Montgomery County households, who have lost all or part of their income.
3. Survey data indicates that as many as 15% of all Montgomery County renters were delinquent on rent in June, an increase from about 5% of renters in March. This information indicates that potentially 13,000 (10% of the total 130,000 Montgomery County renters) may be delinquent on rent due to COVID-19 impacts. All households past due on rent face potential eviction as the Courts reopen to hear cases, and the Courts will begin hearing non-payment of rent cases on August 31st. A current Governor's Executive Order providing suspension of evictions for tenants who can demonstrate COVID-19 impact on ability to pay rent provides only temporary and uncertain delay in actions.

4. Providing funding to reduce risk of eviction and homelessness includes past due rent and funds for ongoing rent paid directly to landlords to help maintain housing, and supporting households exiting homelessness. DHHS implemented an integrated set of programs in response to the COVID-19 using special appropriated funds and leveraging existing budgeted funds. These programs provide the infrastructure for expanding the delivery of funding to address the growing risk of eviction, supporting targeting of funds to most at-risk tenants.
5. The County Executive requests the following FY21 Operating Budget appropriation increase for the COVID-19 Human Services and Community Assistance Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$20,000,000	\$0	\$20,000,000	Federal Grant

6. The Federal Grant requires funds address the impact of the COVID-19 emergency, and the programs will require evidence of COVID-19 emergency impact on the ability to pay. The programs provide household assistance levels which will allow for eviction and homelessness prevention funding of \$20,000,000 to support up to 5,000 households through the end of calendar year 2020.
7. The County Executive has requested a special appropriation to the FY21 Operating Budget in the amount of \$20,000,000 funded by the Coronavirus Relief Fund.
8. The public was notified by a news release.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

1. A special appropriation to the FY21 Operating Budget of the COVID-19 Human Services and Community Assistance Non-Departmental Account is approved as follows:

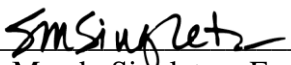
<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$20,000,000	\$0	\$20,000,000	Federal Grant

2. The funds will be administered by the Department of Health and Human Services to implement eviction and homeless prevention programs addressing tenants up to 60% of AMI at risk of eviction or homelessness due to COVID-19 impacts. The eviction and homeless prevention programs will provide support on average of \$4,000 per household for payment of past due rent and ongoing rent to maintain housing. Funds will also provide support for

households exiting homelessness. Funding will prioritize supporting households at greatest risk of eviction and homelessness, evaluated based on COVID-19 impacts on communities, income and financial capacity.

3. The County Council declares that this action is necessary to meet an unforeseen disaster or other emergency and that this appropriation is needed to meet the emergency.

This is a correct copy of Council action.



Selena Mendy Singleton, Esq.
Clerk of the Council